

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.,¹) Case No. 01-1139 (JJF)
) Jointly Administered
Debtors.)

**THIRD MONTHLY APPLICATION OF
PACHULSKI, STANG, ZIEHL, YOUNG & JONES P.C.
FOR COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES AS CO-COUNSEL TO THE DEBTORS
FOR THE PERIOD FROM JUNE 1, 2001 THROUGH JUNE 30, 2001**

Name of Applicant: Pachulski, Stang, Ziehl, Young & Jones P.C. ("PSZY&J").

Authorized to Provide Professional Services to: The above-captioned debtors and debtors-in-possession.

Date of Retention: May 3, 2001

Period for which Compensation and Reimbursement is Sought: June 1, 2001 through June 30, 2001

Amount of Compensation Sought as Actual, Reasonable and Necessary: \$30,195.50.

Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary: \$37,763.45.

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

This is a: xx monthly interim final application.

The total time expended for preparation of this fee application is approximately 3.00 hours and the corresponding compensation requested is approximately \$850.00.²

Prior Applications Filed:

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
07/10/01	4/2/01-4/30/01	\$62,472.75	\$23,277.13	\$62,472.75	\$23,277.13
08/09/01	5/1/01-5/31/01	\$29,929.00	\$15,670.64	Pending	Pending

Name of Professional Individual	Position of the Applicant, Number of years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (including changes)	Total Hours Billed ³	Total Compensation
Laura Davis Jones	Shareholder 2000; Joined Firm 2000; Member of DE Bar since 1986	\$455.00	16.30	\$ 7,416.50
Hamid R. Rafatjoo	Associate 2000; Member of CA Bar since 1995	\$295.00	6.50	\$ 1,917.50
David W. Carickhoff	Associate 2001; Member of DE Bar since 1998	\$245.00	57.10	\$13,989.50
Rachel S. Lowy	Associate 2000; Member of DE Bar since 1998	\$225.00	.10	\$ 22.50
Karina K. Yee	Paralegal since 1996	\$115.00	.50	\$ 57.50
Cherie L. Hare	Paralegal since 1993	\$115.00	.15	\$ 17.25
Patricia E. Cuniff	Paralegal since 1998	\$105.00	45.20	\$ 4,746.00
Cheryl A. Knotts	Paralegal since 2000	\$105.00	.70	\$ 73.50
Rita M. Olivere	Case Management Assistant 2000	\$ 45.00	18.45	\$ 830.25

² The actual number of hours expended preparing this Application and the corresponding compensation requested will be set forth in PSZY&J's subsequent fee applications.

³ Some professional time that was spent during the Interim Period will be reflected in a subsequent application and some professional time that was spent during the previous Interim Period is reflected in this Application.

Name of Professional Individual	Position of the Applicant, Number of years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (including changes)	Total Hours Billed³	Total Compensation
Christine F. Sentman	Case Management Assistant 2000	\$ 30.00	4.00	\$ 120.00
Ashley L. Grasty	Case Management Assistant 2000	\$ 30.00	13.00	\$ 390.00
Melody J. Olson	Case Management Assistant 2001	\$ 30.00	20.50	\$ 615.00

Blended Rate: \$165.45

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees Requested
Asset Disposition	1.90	\$ 395.50
Bankruptcy Litigation	6.30	\$ 2,782.50
Case Administration	103.20	\$10,374.00
Claims Administration/Objections	8.00	\$ 1,624.00
Compensation of Professionals	6.90	\$ 1,910.50
Employee Benefit/Pension	2.20	\$ 651.00
Executory Contracts	2.80	\$ 500.00
Financial Filings	6.40	\$ 1,629.00
Financing	1.10	\$ 500.50
Litigation (Non-Bankruptcy)	13.50	\$ 2,887.50
Meeting of Creditors	.20	\$ 91.00
Operations	5.80	\$ 1,484.00
Retention of Professionals	23.90	\$ 5,277.50
Stay Litigation	.30	\$ 88.50
TOTAL		<u>\$30,195.50</u>

EXPENSE SUMMARY

Expense Category	Service Provider ⁴ (If Applicable)	Total Expenses
Facsimile (\$1.00/page)		\$ 1,601.00
Reproduction (@\$.15 per page)		\$24,363.57
Express Mail	Federal Express/DHL	\$ 2,493.86
Delivery/Courier Service	Parcels, Inc.	\$ 3,461.84
Working Meals	Greenery	\$ 224.67
Travel Expense		\$ 15.00
Postage		\$ 5,033.49
Research	Westlaw	\$ 68.96
Telephone Expense		\$ 138.69
Overtime		\$ 362.37
TOTAL		<u>\$37,763.45</u>

⁴ PSZY&J may use one or more service providers. The service providers identified herein are the primary service providers for the categories described.